

I.
INTRODUCTION AND PETITION FOR LEAVE TO INTERVENE

1. NWIGU is a nonprofit association comprised of thirty-two end users of natural gas with major facilities in the states of Oregon, Washington, and Idaho. NWIGU members encompass diverse industrial interests, including food processing, pulp and paper, wood products, electric generation, aluminum, steel, chemicals, electronics, and aerospace. The association provides an informational service to its members and participates in various regulatory matters that affect member interests. NWIGU member companies purchase transportation services from Williams Gas Pipeline – West, also known as Northwest Pipeline Corporation (“NPC”) and PG&E Gas Transmission, Northwest Corporation and purchase sales and transportation services from local distribution companies, such as Intermountain.

2. The following persons will represent the NWIGU in this proceeding, and should be included on the official service list:

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3. On May 23, 2002, Intermountain filed its annual PGA Application requesting the authority to place into effect new rate schedules that will decrease its annualized revenues by \$52.5 million. The PGA account is a deferral mechanism for over-and under-collections and for realized savings on spot market gas purchases. If its Application is approved,

Intermountain states that customer rates will decrease on average by 24 percent. The Application also proposes to promote rate stability by not altering Intermountain's weighted average cost of gas (WACOG) from its current level at this time. The Company requests an effective date of July 1, 2002.

4. NWIGU member companies that are customers of Intermountain will be impacted by any outcome in this proceeding. These customers transport large quantities of natural gas to serve their facilities. Therefore NWIGU has a direct and substantial interest in the proceeding, and NWIGU's participation will not unduly broaden the issues.

II. COMMENTS OF NWIGU

Intermountain seeks with this Application to pass through to each of its customer classes a decrease in gas related costs resulting from : 1) a net decrease in costs for Intermountain's natural gas interstate transportation; 2) an updated customer allocation of gas related costs pursuant to the Company's Purchased Gas Cost Adjustment provision; and 3) the inclusion of temporary surcharges and credits for one year relating to gas and interstate transportation costs from Intermountain's deferred gas cost account. Application at 3-4. As part of the Application, Intermountain also proposes to refund amounts generated from NPC Case No. RP95-409 for the 13 month locked-in period from February 1, 1996 to February 28, 1997 and pass through additional surcharges incurred from NPC Case No. RP93-5 for the locked-in period from April 1, 1993 to October 31, 1994 via individual industrial customer direct billings of surcharges and credits.

NWIGU's concerns with the equitable resolution of these NPC refunds and surcharges

from these historical time periods have been resolved with Intermountain as set forth in the filing presented to the Commission. It is unfortunate that nearly a decade has passed before customers know the final rate to be charged for pipeline transportation purchased so many years before, but by tracking the refunds and surcharges in accordance with the individual customer's usage and cost responsibility during these same time periods, Intermountain's filing has reached an equitable and fair resolution of the issues, both with the 1993 surcharges and the 1995 refunds.

NWIGU has reviewed the Company's filing and associated work papers and urges the Commission to approve the permanent adjustments and temporary surcharges and credits for the deferred gas costs as an appropriate and correct resolution of those accounts. NWIGU supports the accuracy of the allocations to be made to individual industrial customer's bills for Intermountain's LV-1, T-1, T-2, T-3 and T-4 customers as representing the most equitable resolution possible for the overpayments and surcharges stemming from each customer's historical use and cost responsibility during the relevant locked-in time periods.

WHEREFORE, NWIGU respectfully requests the Commission approve the proposed permanent adjustment and proposed temporary surcharges and credits as filed, including the direct billing and crediting of industrial accounts as proposed in the above-referenced docket.

DATED this 24th day of June, 2002.

Respectfully submitted,

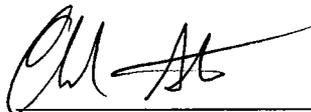


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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I have this 24th day of June, 2002, served the foregoing Intervention and Comments of the Northwest Industrial Gas Users upon all parties of record in this proceeding, by mailing a copy thereof, properly addressed with postage prepaid, to:

Ms. Jean Jewell Commission Secretary Idaho Public Utilities Commission 472 West Washington Street PO Box 83720 Boise, ID 83702-5983	Michael E. Huntington Vice President Marketing & External Affairs Intermountain Gas Company PO Box 7608 Boise, ID 83707
Mike McGrath Intermountain Gas Company 555 S. Cole Road PO Box 7608 Boise, ID 83707	Morgan W. Richards, Jr. ESQ. Moffatt, Thomas, Barrett, Rock & Fields, Chartered PO Box 829 Boise, ID 83701



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